

## **Community Development Commission**

May 16, 2011

To: Each Supervisor

From: Sean Rogan  
Executive Director



Subject: **ADVANCE NOTIFICATION OF INTENT TO REQUEST AUTHORITY TO INCREASE HOME INVESTMENT PARTNERSHIPS LOAN AMOUNTS BY UP TO TWENTY PERCENT**

At the regular Board meeting of May 31, 2011, the Community Development Commission will recommend approval of loans for three affordable housing developments, using HOME Investment Partnerships Program funds. The three recommended developments, selected through the Commission's open competitive NOFA process, will utilize HOME loans in conjunction with funding from other public and private sources. Two of the developments are located in the City of San Fernando, and one is in the City of West Hollywood.

Additional funds may be needed to address unanticipated delays and site conditions often encountered during the predevelopment and construction phases. The Commission is requesting authority to increase the recommended HOME loan amounts by up to 20% as necessary for any unforeseen costs. Consistent with Board Policy 5.120, we are informing your Board in advance of our intent to recommend approval of the loans with the contingency.

These contingency funds are not included as part of the loan agreements between the Commission and the developers, but the delegated authority would allow the Commission to revise the loan agreements at a later date, upon presentation of sufficient documentation for review by Commission staff. Any increase to loan amounts must be repaid to the Commission by developers as stipulated in the loan agreements.

If you have any questions or need additional information, please contact me or Lois Starr, Director of Housing Development and Preservation, at (323) 890-7230 or [lois.starr@lacdc.org](mailto:lois.starr@lacdc.org).

SR:ls

c: Each Deputy  
Rita Robinson, Deputy Chief Executive Officer  
Anthony Baker, CEO Analyst